

world's foremost proponents of free trade, and we look forward to working with you to expand bilateral and global trade as rapidly as possible.

I applaud your achievements, and so did the Inter-American Development Bank, turning first to Chile to implement its investment policy support program. Under our Enterprise for the Americas Initiative, Chile was first to have a portion of its official debt to the United States forgiven because we want democracy to succeed. Not only do our people share what your government called the "community of ideas, of feelings and needs," we share this land. We share more than the New World; we share a responsibility to keep our world new. So, last February, under the Enterprise for the Americas Initiative, we signed an agreement helping Chile create an environmental project fund with money which would have otherwise serviced debt.

And we will continue to address bilateral economic concerns under our 1990 trade and investment framework agreement. Our challenge now is to build on those beginnings and show why Bernardo O'Higgins, Chile's great champion of freedom, wrote, "The Americans are giving great hope to philosophers and patriots alike."

Today, Chile gives hope to an entire hemisphere. With market-oriented reforms, you've led by example. In international relations, you're leading through integrity. Other nations count on Chilean leadership in the Organization of American States, in

the United Nations, and then in the community of nations. Your people are working for peace and freedom in Kuwait, El Salvador, Guatemala, and Cambodia. You joined your neighbors to defend democracy, first at last year's OAS General Assembly, then most recently in Haiti, Peru, and Venezuela.

There's a poem called Machado's "Caminante." There's one line that stands out, and here it is: "Traveler, there is no road, you make a road in traveling." Mr. President, I believe Chile is that traveler, traveling the road of history, a history made one step at a time. Chile offers an eloquent rebuke to those enemies of democracy on the extremes of left or right who try to mislead and confuse the people. Chile shows how liberty can not only shape a nation of great promise but ensure its people a legacy of promises kept.

So, traveling together, Mr. President, we will keep our promises, and we will make ours a road to a better tomorrow. We are honored to welcome you to Washington as our guest, one of this hemisphere's truly great leaders. Welcome, sir.

Note: The President spoke at 10:13 a.m. on the South Lawn at the White House. In his remarks, he referred to the Cairns Group, a 13-nation group supporting agricultural trade liberalization and free market policies in the Uruguay round of multilateral trade negotiations.

Remarks to the Health Care and Business Community in Baltimore, Maryland

May 13, 1992

Thank you, Dr. Heyssel, for that introduction. I understand that you'll be retiring in a few weeks as CEO of Johns Hopkins Health System, after 20 years of building bridges with this marvelous community. I got briefed on this, and I'm told that you'll leave a great legacy, that new outpatient clinic which bears your name and opens for business on Monday, a well-deserved tribute

to a great man.

We also have with us today my top adviser on health and our head of HHS, Dr. Lou Sullivan; where's Lou? Right over behind me—who you met earlier on. But I just want to say what a joy it is to have him at my side as we try to come up with better answers for America's health care. He's doing a superb job there. And I want to

single out also another that has been at my side all day and is an awful lot of the time, that I have great respect for, and that's Governor Schaefer, the Governor of your State, who is with us here today. We also have several members of the legislature, the city council from Baltimore. I'm glad to see Mr. Winters, an old friend who's CEO of the Prudential. And he's been to the White House to discuss the future of our Nation's health care with me. And then of course, Barbara Hill, you'll get around her for about 5 minutes, and you're semi-exhausted. The energy and the enthusiasm that she brings to this health plan is simply contagious. I have a much better feeling what it's all about just by being around Barbara Hill. Thank you very much for a great day.

I don't know whether it's appropriate or not to be discussing medical care here at Dunbar, the home of the Dunbar Poets, but nevertheless, to all at Dunbar, my sincere thanks. And with their unbeaten streak, maybe Pete Pompey should become my adviser on health care as well as on fitness. *[Laughter]*

But I was interested to hear about the school's cooperative health studies with Johns Hopkins, which is not only on a summit in Baltimore but is at the summit of medical excellence for our whole country. It's terrific that nearly 20 percent of Dunbar's student body is involved in this health studies program, 20 percent. And I also want to recognize another institution that calls Dunbar home, Sojourner-Douglass College, for its strong commitment to the Baltimore community.

Before sharing with you a few observations on health care, let me just touch on an issue that I know is of concern to all Americans, everyone concerned about conditions particularly in America's inner cities, with special reference in these remarks to Los Angeles. In addition to FEMA, the emergency management, and to SBA, the Small Business Administration's assistance, the Federal Home Loan Bank System is going to make available \$600 million to finance the rebuilding of housing and businesses in Los Angeles. These loans, made through the Community Investment Programs, are good news for the people who lost homes and jobs as well as the owners

who lost businesses due to the unrest out there. It's one way that we can underscore the fact that we are serious about helping Los Angeles recover. I think the Nation is focusing on how well all levels of government come to bear on helping in the recovery and the re-stimulation of the community there in Los Angeles.

Beyond our urgent emergency aid, we have got to take action to bring hope and opportunity to Los Angeles. But it's not just Los Angeles, it is to all American cities. Yesterday we had a good meeting with the congressional leaders, Republican and Democrat. We outlined, or I did, a six-point plan for a new America: Our "Weed and Seed" crime initiative, weed out the criminals, seed the neighborhoods so that you can have hope and opportunity there. Our HOPE initiative, it's a homeownership, housing initiative. I think enterprise zones we've heard a lot of talk about, but when we were out in California, the community leaders all urged that we try this concept of enterprise zones to attract like a magnet, draw business and opportunity into the communities. Fourth, and a little longer run answer, is education reform. I'm kind of preaching to the choir right here in Dunbar on that one because there's an awful lot of innovation going on in Baltimore in the schools and in Maryland generally. But education reform is essential. Welfare reform, I think, is essential. And then, of course, a strong jobs program for city youth across the country.

So these are the ingredients or the tools that we are going to try to work with. I'd like to use this opportunity to report to the American people that yesterday's meeting put partisanship aside, and I am very hopeful that we can get something done for this country. I am pleased with the early reaction, as I say, but now the thing is to follow up and push ahead.

Now, to the reason that's brought us all together. I really had a wonderful experience here spending some time four blocks over in the East Baltimore Medical Center. It is a terrific example for the rest of the country. And the rest of the country can follow this example. It's based on a special

kind of public-private partnership, and the kind that we've been advocating, in this case among Johns Hopkins, the Pru, the Prudential Insurance Company, the State of Maryland, and the Federal Government. It's that broad a partnership.

This problem-solving partnership advances what's known as coordinated care, the future of health care in this country. Thanks to this partnership, this is the largest, the largest and fastest growing HMO in Maryland. It was there, 8 years ago, that Hopkins helped pioneer the concept of a Medicaid HMO. And it's great to see EBMC's success because it proves what I strongly believe, that we can meet the challenge of controlling health care costs while providing the finest quality service. When I think of Johns Hopkins, I think of the quality of medical care, the quality of research, and we must not adopt a plan that diminishes the quality of American health care. So I congratulate you. For while this HMO saves members, employers and government money, health care stays first-rate, and it's a great example.

The key to this center's success, especially for Medicaid patients, is that coordinated health care makes creative approaches possible. It provides quality care at lower cost with an emphasis on, and we saw it right there, prevention. It's just plain common sense. We're better off keeping people healthy rather than treating them after they're sick.

Just Monday, Lou Sullivan and I met with some leaders on our effort to improve infant health and immunization. There's nothing that makes the case for coordinated care like seeing these healthy kids. Preventive medicine improves the quality of life for patients and certainly saves a lot of unnecessary expenditures. Coordinated care can work for all Americans. But it's especially important for Medicaid recipients. It ensures they get care when they need it, where they need it, and that they get it in a cost-effective way. EBMC proves this is a viable alternative to the opposite of coordinated care, that fee-for-service system.

It also means better care for a kid who steps on a rusty nail out on Orleans Street. Before belonging to a coordinated care center, he would have gone to Hopkins emer-

gency room. They'd be seeing him for the first time so they wouldn't know his background; they wouldn't know if he'd had a tetanus shot or if he were allergic to, say, penicillin. They'd have to spend that time and money doing unnecessary tests, maybe double treatment. But now when he shows up at his center's urgent care unit, they just check his history and treat him faster and at a fraction of the cost.

I am excited to see so many pieces of this comprehensive health reform program that we are promoting already successfully at work right here at EBMC. I introduced a plan February 6 to address the twin challenges of expanding access and of containing cost, while building on the strengths of this present health care system. I was determined to treat the root causes of our problems, not just the symptoms. Above all, our plan is inspired by the words of physician Frederick Banting, "You must begin with an ideal and end with an ideal."

In the greatest, most technologically advanced Nation on the face of the Earth, there is no reason that one of seven Americans has no health insurance. And what we must do is clear. We must guarantee every American access, access to affordable health insurance.

Let's face it. We are in a peculiar year, in an election year, when all kinds of crazy things happen out there. And it seems like everyone's got a prescription for health care. And yes, people want quality care they can afford and rely on. But we don't need to put the Government between the patients and their doctors. And we don't need to build a whole new Federal bureaucracy. We need commonsense, comprehensive health care reform, and we need to start on it right now.

Sure, the other approaches can sound great, but you've got to look at what you really get. National health insurance, believe me, means more taxes, long lines, long waiting lists, and here's a matter of great concern to people that are in this area of excellence, lower quality care. Their idea for cost control is flat out what you call price fixing, an idea we know just simply will not work. Look at Medicare, which adopts set prices for many seniors' health

services. But Medicare inflation far outstripped private health care inflation in the seventies and the eighties, and it is still growing at 12 percent. The national rate of inflation, thank heavens, is far below 12 percent, and cost containment is not its strong suit. Price fixing by Congress has never worked before, and in my view, it simply will not work.

The so-called—we were talking about this coming in over in the car—the so-called “play or pay” approach, in my view, is equally unsound. Even many proponents admit that it will melt down into national health insurance within a few years. It does nothing to address the cost problem, where patients don’t know or care how much health plans cost, nothing except to once again try to fix the prices. It’s a package full of empty promises. Our comprehensive reform plan is based on these commonsense principles: Competition, consumer choice, quality, I come back to that, and efficiency.

Now while most people in this country are provided the highest quality health care in the world, millions of others are uninsured. And those are the ones we’ve got to worry about. They are the ones that must be covered. And we must make people aware of the costs and varying quality of care, so they’ll be better consumers. But there will always be a limit to how cost-sensitive we can make people. When a kid falls off a bike or cracks his head, not many parents question the cost of a CAT scan or an MRI; their kid’s health is too precious to bargain over.

So the competitive answer must be to group our consumers together. We must combine small employers, who often pay the bills, and individuals into large, educated, informed purchasing groups that can drive efficiencies back into the health care system. These health insurance networks are going to pool, what we call pooling. They will pool consumer information. They will pool risk, and they will pool purchasing power to make the system more responsive to the demands of the consumer. Our plan will dramatically reform our market-based system. It will ensure that quality care is within reach of every American family, and it will preserve choice. It will keep costs down, and we believe that it will keep ac-

cess up.

First, the plan will cut the runaway costs of health care by making the system more efficient. We’ll call for innovative approaches like the one we see here in east Baltimore. Secondly, it will wring out waste and excess. Third, it will control Federal growth, since health care is the fastest growing part of the Federal budget. And fourth, my plan will make health care more accessible by making it more affordable. We’ll provide up to \$3,750 in health insurance credit or deductions for low- and middle-income families—they have to use that to purchase insurance—and guarantee access to insurance for all low-income Americans. These credits, combined with market reforms, will bring health insurance to approximately 30 million now uninsured Americans.

Maryland is already getting on board this voucher approach with bipartisan legislation. The Maryland State House, I’m told, has outlined a standard health package to cover all low-income Marylanders through tax credits. The proposal to implement this tax credit plan passed the house a few weeks ago and is being reviewed in the legislature this year. Under my plan, this type of low-income credit would be available in all States, and Maryland would have the ability and financial help it needs to make this reform into a living reality.

I’ve proposed the most comprehensive health care package out there. And now is the time to challenge the Congress and to see if it’s interested in this kind of real reform. Ours is a plan that will fundamentally restructure, and this is the point, restructure health care in America.

There are steps we can and must take right now. Part of our plan entails significant reform of the insurance markets, for which there is a strong bipartisan support. Senator Bentsen, Chairman Dan Rostenkowski of the Ways and Means Committee, Senate Republicans, the House Republican task force all support very similar reforms that with certain changes, some modification, can and should be passed immediately. Congress must begin to move now. Even if all they do this year is just pass our insurance market reform, we’ll at least get a

start on changing the system. These reforms will go a long way toward curing the inequities in cost and coverage under existing health insurance practices.

There's another bipartisan reform package out there. It was proposed by Senator Pat Moynihan and Senator Dave Durenberger, and that is in most respects consistent, it is, with my plan and would promote much greater use of coordinated care in Medicaid. East Baltimore knows that this works. We must make it easier for the rest of the country to follow your pioneering road to better health care. In fact, as part of our plan for comprehensive reform, I want to make coordinated care the norm, not the exception, for Medicaid. We must work together now to pass these reforms that will provide literally millions of Americans with affordable health coverage for the first time and then get a leg up on that comprehensive reform.

Our plan does everything the Government can and should do to ensure the quality of life of each citizen of this great land. It doesn't promise the Moon. It does something more important: It really guarantees, it promises the future. Reform is never easy, but in health care I think, wherever you're coming from, I think everybody would agree health care reform is a must. And we will deliver what we say we can, competition, competition-driven, market-based reform, and we'll deliver it proudly.

This is kind of a second unveiling of our overall program, but it seemed most appro-

priate to bring out these specifics here in Baltimore, an area where you've had so much innovation, so much excellence, so much success. So I just want you to know we're serious about this. We are going to continue to push for it, and we must get started right now.

I have learned a lot today, and I am very grateful to those who have shown me what is going on in this exceptional health care facility. I've always had great respect for what is going on in Johns Hopkins, this institution of excellence in every category.

So as I conclude, let me say, I am not pessimistic about our ability to help those people who need help in terms of health care. We can get the job done. I will now be trying to work with our hands extended in a nonpartisan or in a bipartisan mode to see if we can't make things a little better for the people, some of whom I saw here today.

Thank you all very much for listening. And may God bless the United States.

Note: The President spoke at 3:30 p.m. at Paul Laurence Dunbar High School. In his remarks, he referred to Dr. Robert M. Heyssel, president, Johns Hopkins Health System; Robert C. Winter, chairman and chief executive officer, the Prudential Insurance Co.; Barbara Hill, president, Prudential Health Care Plan of the Mid-Atlantic; and Pete Pompey, athletic director and basketball coach at Dunbar High School.

Message to the Congress Transmitting Proposed Legislation on Youth Apprenticeship

May 13, 1992

To the Congress of the United States:

I am pleased to transmit herewith for your immediate consideration the "National Youth Apprenticeship Act of 1992." Also transmitted is a section-by-section analysis.

This legislation would establish a national framework for implementing comprehensive youth apprenticeship programs. These programs would be a high-quality learning alternative for preparing young people to be

valuable and productive members of the 21st century work force. Although this framework has been designed to be comprehensive and national in scope, it is also flexible enough to allow States to customize the model to economic, demographic, and other local conditions.

I am proposing this legislation in order to